Link Between Waiver, Funds Denied

By Jack Anderson

A representative of billonaire Howard Hughes, Richard Danner, has told Senate Watergate investigators that he obtained an antitrust waiver in 1970 from then-Attorney General John Mitchell. This coincided closely, Danner said, with his delivery of $100,000 in gambling money to President Nixon's friend, Bebe Rebozo.

Danner insisted, however, that Mitchell was unaware of the contribution and, therefore, that the favorable antitrust action was not a quid pro quo for the money.

Danner said he had three conversations with Mitchell about Hughes' desire to purchase the Dunes hotel-casino in Las Vegas. On the last occasion, Danner called upon Mitchell at the Justice Department and was given clearance to go ahead with the Dunes acquisition.

This occurred, to the best of Danner's recollection, in August or September of 1970. A few weeks earlier, on July 3, 1970, according to Danner's records, he handed $50,000 in $100 bills to Rebozo at President Nixon's San Clemente estate.

Danner had no record of the exact time he delivered the additional $50,000 installment. He originally told the Internal Revenue Service that he had turned over the cash to Rebozo at the President's Key Biscayne estate in August, 1969. But Danner explained to the Watergate investigators that he later gave the IRS an amended statement, suggesting it was possible the delivery could have occurred in August, 1970.

Before the $100,000 changed hands, the Justice Department had blocked Hughes from purchasing another Las Vegas hotel-casino, the Stardust, on antitrust grounds. But the Justice Department changed its attitude in 1970 when Mitchell promised, according to Danner, not to obstruct the expansion of Hughes' gambling empire.

The Senate sleuths questioned Danner this past Aug. 30 in his offices at the Sands hotel-casino in Las Vegas. Throughout the secret interview, he insisted that the two $50,000 payments were intended as campaign contributions.

President Nixon, of course, wasn't campaigning for office at the time the money was delivered, but Danner said the President was expected to use the money to help his favorite candidates in the 1970 congressional races.

Danner told the investigators that the question of a campaign contribution was first brought up with Rebozo in 1968. Rebozo broke off the discussion, however, when he learned that the President's brother, Donald Nixon, was involved in arranging a Hughes contribution. When Donald Nixon's name came up, said Danner, Rebozo said to "drop it, forget it."

A White House spokesman denied that the President had ever received the $100,000 offering, and friends of Rebozo told us that no campaign money had been diverted into personal channels.